NewFunds Shari'ah Top 40 ETF

Minimum Disclosure Document - 30 June 2019

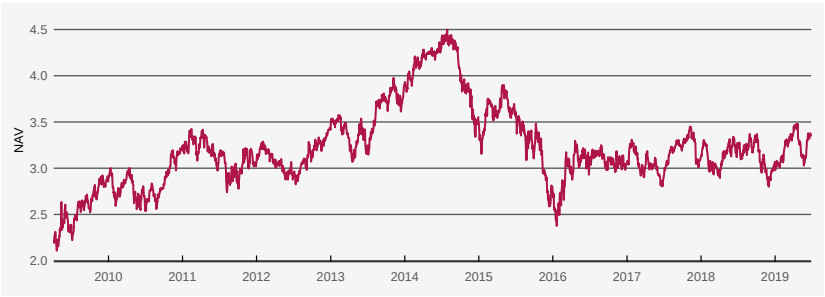
Portfolio objectives

The Shari'ah Top 40 Index ETF is an investment instrument created to comply with Islamic ethical investing, it gives investors diversified exposure to the broad market and allows investors to earn a market related performance while still complying with the Shari'ah principles of investing. The NewFunds Shari'ah Top 40 Index ETF tracks the price* performance of the FTSE/JSE Shari'ah Top 40 Index, an Index is designed to reflect the Shari'ah compliant companies identified from the FTSE/JSE Africa Top 40 Index by Yasaar Limited (Yasaar).

The Shari'ah Top 40 ETF is structured as a Financial Services Board (FSB)- approved Collective Investment Scheme Portfolio, issued under the NewFunds CIS umbrella. Listed on the JSE Limited, the Shari'ah Top 40 ETF provides investors with a daily disclosed, lowcost, and easy-to access investment product that conforms to Shari'ah principles.

Performance and statistics

Portfolio net asset value chart



Source: Absa CIB.

Returns table

Period	ETF	Index	Diff.
3 Months	0.3%	3.0%	-2.7%
YTD	9.5%	11.7%	-2.2%
1 Year (Ann.)	2.6%	5.4%	-2.8%
3 Years (Ann.)	2.9%	3.0%	-0.1%
5 Years (Ann.)	-4.8%	-4.8%	-0.0%
Full Period (Ann.)	4.1%	4.1%	0.0%

Risk statistics

Statistic	ETF
Risk (Ann.)	17.4%
Max. Drawdown	-47.2%
Best Month	14.4%
Worst Month	-10.9%
Best Annual Return	36.4%
Worst Annual Return	-24.7%

Last 4 Distributions

Month	Net Distribution	Dividend Yield
April 2019	8.04c	-
January 2019	0.19c	-
October 2018	4.85c	-
July 2018	1.59c	-

Annualised return is the weighted average compound growth rate over the period measured. Performance is calculated using the NAV of the Portfolio and represents only past performance. An individual's performance may differ to that of the portfolio as a result of initial fees, brokerage, actual investment date, dividend withholding tax and income reinvestment date. The reinvestment of income is assumed to be effected on actual distributed amount net of withholding taxes; and on distribution payment date.

Risk profile

Aggressive

Portfolio details

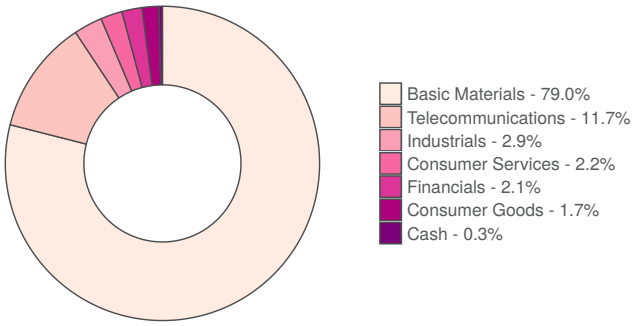
Manager	NewFunds (RF)(Pty) Ltd
Asset Manager	Absa Alternative Asset Management (Pty) Ltd
Asset Administrator and Pricing House	Maitland Fund Services (Pty) Ltd
Market Maker	Absa Capital Securities (Pty) Ltd
Trustees	Standard Bank (SA) Ltd
Benchmark Index	FTSE/JSE Shari'ah Top 40 Index
Index Calculation Agent	FTSE/JSE Africa Index Series
Fund Category	South African - Equity - Large Cap
Exchange	JSE
JSE Code	NFSH40
ISIN	ZAE000130431
Base Currency	ZAR
Portfolio Listing Date	06 April 2009
Net Asset Value	R52 323 804
Securities Issued	15 575 446
Dividend Frequency	Mar, Jun, Sep & Dec
Fund Valuation	17h00
Rebalance Frequency	Quarterly
Price Information	etfcib.absa.co.za

Investor benefits

Diversification: Investors obtain diversified exposure to a basket of SA equity securities.
Liquidity: Absa Capital Securities (Pty) Ltd act as market maker and provide daily liquidity on the ETF.
Transparency: The Portfolio holdings, investment methodology, constituent details and net asset value information is available to investors daily.
Lower cost: ETFs have a lower fee structure.
Investor protection: ETFs are fully backed by the underlying securities.
Traded like a share: ETFs are Unit Trust Portfolios which trade on the JSE like shares.
Regulation: NewFunds ETFs are registered as Collective Investment Schemes and regulated by the Financial Services Board.

Exposure

Portfolio asset allocation



Top 10 portfolio holdings

Name	Type	Weight
Bhp Group Plc	Basic Materials	33.1%
Anglo American Plc	Basic Materials	17.2%
Sasol Ltd	Basic Materials	8.8%
Mtn Group Limited	Telecommunications	8.5%
Mondi Plc	Basic Materials	5.3%
Anglogold Ashanti	Basic Materials	4.7%
Vodacom Group	Telecommunications	3.2%
Bidvest Group Ltd	Industrials	2.9%
Gold Fields Limited	Basic Materials	2.7%
Mr Price Group Ltd	Consumer Services	2.2%
Total:		88.7%

Contact us

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Portfolio details (cont.)

Max Management Fee	0.38%[1]
Annualised TER	0.38%[2]
Transaction Cost	0.54%[3]
Effective Annual Cost	0.92%[4]

Notes
1. Maximum management fee is the maximum fee which the manager charges for the portfolio. Where the TER is lower than the management fee, the Manager has subsidized or waived allowable expenses. Such subsidies and waivers are not guaranteed perpetually and a higher TER may incur in the future.
2. The Total Expense Ratio (TER) is expressed as a percentage of the daily NAV calculated over a rolling 12 month period.
3. The Transaction Cost of the Portfolio is expressed as a percentage of the daily NAV and is calculated over a rolling 1 year period.
4. The Effective Annual Cost (EAC) measure is a combined sum of the TER and Transaction costs.
5. Scrip Lending - The portfolio does not engage in scrip lending at this stage.

Glossary of terms

Annualised Return - The weighted average compound growth rate over the period being measured.

Annualised Risk - A measure of how much the investment return varies from its average over time.

Constituent Security - A stock which is part of a larger portfolio.

Drawdown - A measure of the deterioration of the portfolio from its historical peak (highest level of the fund), measured since the relevant reference point.

Exchange Traded Funds (ETF) - A listed instrument listed on the JSE whereby the investor essentially owns a proportionate share of the underlying investments held by the Portfolio.

Liquidity - The ease of buying and selling a financial instrument for cash.

Market Maker - The market maker attempts to maintain a high degree of liquidity through continuously offering to buy and sell participatory interests at prices around the NAV, thereby ensuring tight buy and sell spreads.

Net Asset Value (NAV) - The NAV is the total assets of the portfolio less the liabilities.

Net Distribution - Accrued income and dividends less portfolio expenses, which is distributed to investors.

Price Momentum - A measure of the performance or the return of a security over a recent time period, generally 12 months (excluding the latest month).

Portfolio Risk - A measure of the risk inherent in a portfolio incorporating individual stock volatility as well as the covariance structure of stocks in the portfolio.

Rebalancing - Rebalancing is when the asset manager buys and/or sells constituents in a portfolio in order to bring the portfolio in line with the index being tracked.

Scrip Lending - The lending of securities from one party (being the holder of the securities) to another party (the borrower). The borrower provides collateral for the securities borrowed.

Total Expense Ratio (TER) - This is the total costs associated with managing and operating an investment (excluding financial planning). These costs consists primarily of management fees and other operational expenses such as audit and custody fees. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.

Volatility - Measures the dispersion of price returns around the average over a specific period of time.

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